



# VA HEALTH ECONOMICS BULLETIN

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## New Fee Basis Files Available to Researchers

**HERC has updated the Fee Basis encounter-level roll-up files through FY08.**

Fee Basis files report financial and limited clinical information on care purchased by VA. When a Veteran receives care through Fee Basis, the outside provider bills the VA for services rendered (claims). The claims are paid by the VA, generally in 30 days or less, and reported in the Fee Basis database.

However, payment on claims is sometimes delayed and care for a single stay may appear in several different files, making Fee Basis data challenging to work with. Inpatient Fee Basis files are arranged as individual claims, rather than encounters or bedsections, and the total set of records for a single inpatient stay might appear in files from two or more fiscal years. Additionally, claims for physician services and ancillary services might appear in a separate file from the facility claims. To assist researchers using these data, HERC has created files aggregating costs at a stay level (encounter-level roll-up file) and for an individual in a given year (person-level roll-up file).

The encounter-level roll-up files have been updated through FY08 for inpatient (RMTPRD.HERC.FEE.SAS.STAYSyy) and outpatient (RMTPRD.HERC.FEE.SAS.ENCSyy) Fee Basis services. The HERC files are encounter-level and are stored as SAS data sets in the Austin Automation Center. For more information on Fee Basis data, please visit the HERC Fee Basis webpage (<http://www.herc.research.va.gov/data/fb.asp>).

## New Technical Report #27

Technical report #27 presents a case study demonstrating that a model using diagnostic related group (DRG) weights and length of stay can explain most of the variation in the cost of coronary artery bypass surgery (CABG). This report evaluates the revised HERC average cost method through use of 2009 Medicare data (MedPAR or the Medicare Provider Analysis and Review) on CABG (ICD-9 procedure 36.1x) by examining costs, payments, charges, and performance of the regression model. The ordinary least squares regression in this report looked at patient characteristics (age, sex) and surgery related variables (death in hospital, number of diagnoses, length of stay, days in intensive care unit) yielding an  $R^2=0.76$ , similar to the earlier model using 1996 MedPAR data with an  $R^2=0.74$ . With CABG patients, the HERC average cost model predicted costs lower than the maximum cost-adjusted charges but higher than the lowest cost-adjusted charges, therefore attenuating the variation in the predicted costs. This report can be found on the HERC website at [http://www.herc.research.va.gov/publications/technical\\_reports.asp](http://www.herc.research.va.gov/publications/technical_reports.asp).

# HERC to Attend HSR&D/QUERI National Conference

**HERC staff will attend the HSR&D/QUERI National Conference, held July 16-19, 2012 in Washington DC. HERC economists will be at oral presentations, workshops, poster presentations, and at the HERC exhibit booth during poster sessions and breaks.**

Patsi Sinnott will give an oral presentation on Fee Basis data on Tuesday July 17th at 2:45pm and a workshop on budget impact analyses on Wednesday July 18th at 10am. Ciaran Phibbs will give an oral presentation on the rate and predictors for the risky healthcare practice of prescribing TriCyclic Antidepressants (TCA) to patients with Bipolar I Disorder on Thursday July 19th at 2:15pm.

Ciaran Phibbs will be presenting a poster on the first study to rigorously examine the relationship between lower staffing levels during off-shifts (nights and weekends) and patient outcomes. The VA Office of Nursing Services is using these results to develop specific policy recommendations for off-shift staffing. Jean Yoon will be presenting on the relationship between medical home readiness of primary care clinics and rates of avoidable hospitalizations. This study found that access, coordination, and quality improvement in building medical homes in VA primary care clinics can improve patient outcomes. Todd Wagner will present a poster on the effectiveness of telephone monitoring in substance use disorder (SUD) treatment. Although telephone monitoring was relatively inexpensive, it may not be sufficient to improve long-term SUD outcomes.

HERC economists are co-authors on several other studies that will be oral presentations, workshops and posters at the HSR&D/QUERI National Conference.

Jean Yoon is a co-author of a study on the concurrent use of VA and Medicare Advantage services and the costs of VA services provided to Medicare Advantage enrollees that will be an oral presentation. Ciaran Phibbs is a co-author of a study about women Veteran VHA users and their rates of cardiovascular risk factors, and a study on the factors contributing to the high attrition from VHA among women Veterans (approximately 30% nationally), that will be oral presentations. Patsi Sinnott is a co-author of a study assessing scales for service-related post-traumatic stress disorder (PTSD) and a study on the development and testing of a decision aid for Veterans with PTSD that will be poster presentations. Todd Wagner is a co-author of a study on methods for estimating disease-attributable costs that found costs must be adjusted due to the high frequency of comorbid diseases among VA users, as well as a study on Veterans' interest and preferences about sharing electronic health information from My HealtheVet, that will be poster presentations. Todd Wager is also a co-author of a panel workshop on the use of Centers for Medicare and Medicaid Services (CMS) data in VA research.

For more information, visit the HSR&D/QUERI National Conference website at <http://www.hsr.d.research.va.gov/meetings/2012/>

## Bibliography of VA Cost Studies Updated

HERC's bibliography of VA cost studies has been updated with articles published through March 2012. The bibliography contains more than 300 entries from the past 30 years that use VA data to estimate the cost of providing care to Veterans. Entries are included in the bibliography if they described the method of how VA healthcare costs were estimated (e.g., average costing, micro-costing, budget impact analysis, comparative effectiveness, cost effectiveness) and utilized VA cost data (e.g., HERC average costs, DSS, FMS, CDR, fee basis, PBM, NPCD). The bibliography of VA cost studies can be found on the HERC website at <http://www.herc.research.va.gov/methods/bibliography.asp>.

## Featured Health Economics Expert: Matthew Maciejewski



**Matthew L. Maciejewski, PhD**  
*Research Career Scientist*

*Center for Health Services  
Research in Primary Care,  
Durham VA Medical Center*

Matthew L. Maciejewski is a Research Career Scientist in the Center for Health Services Research in Primary Care at the Durham VA Medical Center; a Professor in the Division of General Internal Medicine, Department of Medicine at the Duke University Medical Center; and an Adjunct Professor in the UNC Schools of Public Health and Pharmacy. He has conducted several research projects funded by HSR&D and QUERI, RWJ Foundation, AHRQ, and CMS. He uses large administrative data to examine how financial and non-financial interventions impact clinical and behavioral outcomes of patients and economic outcomes of health systems. He conducts research in three areas: 1) clinical and economic impacts of cost barriers to medication and health care use, 2) evaluation of programs and interventions for the management of obesity and chronic conditions, and 3) preferences for primary care services by veterans and Medicare beneficiaries with chronic conditions.

Matt is chair of the HERC Steering Committee and is on the editorial board of Comparative Effectiveness Research. He received his doctorate in health services research from the University of Minnesota in 1998.

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Music is one of Matt's passions and he listens to music all day at work and at home. In his spare time Matt enjoys playing with his children, cooking, travelling, and politics.

### Health Economics Experts List

To help build a community of health economists, HERC maintains a list of health economics experts by geographic locations and areas of expertise. The list features more than forty VA staff who can offer advice on a variety of topics in cost and cost-effectiveness research. Researchers who are planning a study can use this list to find a health economist to include in their funding proposal. The current list of HERC experts is available on the HERC Experts web page at: <http://www.herc.research.va.gov/resources/experts.asp?search=%25>

Interested in being added to the list? Write to us at [herc@va.gov](mailto:herc@va.gov)

### HERC Staff Update: Welcome Victoria

Victoria Thornton joined HERC as a Research Assistant in March, 2012. She received her B.A. and M.A. in Psychology from Stanford University where she investigated the influence of genetic variation on neural structure in children. Subsequently, she worked as Lab Manager at the Georgetown Cognitive Neurogenetics Laboratory in Washington, D.C. In her free time she enjoys yoga, running, and practicing French.

# Upcoming HERC Cyber Seminars and Course

## Cyber Seminars

*The Health Economics Cyber Seminars feature presentations on a variety of health economics and health services topics. Each hourly session begins at 11 a.m. Pacific or 2 p.m. Eastern time, unless otherwise noted.*

*June 20, 2012 – Peter Groeneveld, M.D., M.S.*

Staff Physician/Researcher, Center for Health Equity Research and Promotion (CHERP), Philadelphia VA  
Implantable Cardioverter-Defibrillators in VHA and Healthcare Cost Growth: 2001-2010

*June 27, 2012 at 12 p.m. Pacific or 3 p.m. Eastern time – Kevin Stroupe, Ph.D.*

Research Health Scientist, Center for Management of Complex Chronic Care, Hines VA Hospital  
Healthcare Utilization and Costs of Veterans Screened and Assessed for Traumatic Brain Injury (TBI)

## HERC's "Econometrics with Observational VA Data" Course

*This course provides participants with sufficient background in econometrics to choose techniques suited both to their data and to their economic model. There will be a strong emphasis on applied work, illustrating the use of statistical software applied to VA data. The lectures will be held on Wednesdays and each hourly session begins at 11 a.m. Pacific or 2 p.m. Eastern time.*

*May 30, 2012*

Non-linear Dependent Variables  
Ciaran Phibbs, Ph.D.

*June 6, 2012*

Right-hand Side Variables  
Ciaran Phibbs, Ph.D.

*July 11, 2012*

Research Design  
Jean Yoon, Ph.D.

*July 25, 2012*

Propensity Scores  
Todd Wagner, Ph.D.

*August 8, 2012*

Instrumental Variables Models  
Patsi Sinnott, P.T., Ph.D., M.P.H.

The schedule of upcoming cyber seminars and courses, and information on the archives, are available at  
<http://www.herc.research.va.gov>.

To register for these seminars and courses, visit  
<http://www.hsr.d.research.va.gov/cyberseminars/catalog-upcoming.cfm>